

AGENCY STRATEGIC PLAN

FOR THE FISCAL YEARS

2003 - 2007



Arkansas Public Employees Retirement System

October 31, 2001

AGENCY STRATEGIC PLAN APPROVAL FORM

FOR THE FISCAL YEARS

2003 - 2007

Gail H. Stone, Executive Director

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STRATEGIC PLAN

Agency Name	ARKANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM
<p>Agency Mission Statement: To play an integral role in the future financial security of the Arkansas Public Employees Retirement System (APERS), Arkansas State Police Retirement System (ASPRS), and Arkansas Judicial Retirement System (AJRS) members by promptly and courteously delivering quality benefits and information which members value and trust through professional plan administration and prudent management of System assets.</p>	

AGENCY GOAL 1: To provide efficient, timely delivery of retirement services to the system customers (members and retirees).

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Agency Name		ARKANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM
Program		AGENCY OPERATIONS ADMINISTRATION (APERS, ASPRS, AJRS)
Program Authorization		Ark Code Annotated Vol. 24, Chapters 2, 4, 6, 8
Program Definition: Funds-Center Code: <u>132</u>		To provide high quality member services, including education and counseling to customers (i.e. members, retirees, employers) about the benefit program and other available services; To effectively manage the investment of the assets of the Arkansas Public Employees Retirement System (APERS), the Arkansas State Police Retirement System (ASPRS) and the Arkansas Judicial Retirement System (AJRS); To provide administrative and support services for APERS, ASPRS & AJRS.
AGENCY GOAL(S) #	1	
Anticipated Funding Sources for the Program:		Trust Funds

GOAL 1: (Sub-Funds Center Code: 132GOAL1) To provide members and retirees with the highest level of benefits, customer service and accurate, timely information.

OBJECTIVE 1: (Sub-Funds Center Code: 132G1OBJ1) To maximize benefit levels and customer satisfaction of members and retirees through a high quality benefit program funded through the efficient administration of retirement legislation and the effective allocation and management of fund assets of the Arkansas Public Employees Retirement System.

STRATEGY 1: (Sub-Funds Center Code: 132A) To provide a high degree of education and counseling to members, retirees and employers about the benefit programs and other services.

OBJECTIVE 2: (Sub-Funds Center Code: 132G1OBJ2) To maximize benefit levels and customer satisfaction of members and retirees through a high quality benefit program funded through the efficient administration of retirement legislation and the effective allocation and management of fund assets of the Arkansas State Police Retirement System.

STRATEGY 1: (Sub-Funds Center Code: 132S) To provide a high degree of education and counseling to members, retirees and employers about the benefit programs and other services.

OBJECTIVE 3: (Sub-Funds Center Code: 132G1OBJ3) To maximize benefit levels and customer satisfaction of members and retirees through a high quality benefit program funded through the efficient administration of retirement legislation and the effective allocation and management of fund assets of the Arkansas Judicial Retirement System.

STRATEGY 1: (Sub-Funds Center Code: 132J) To provide a high degree of education and counseling to members, retirees and employers about the benefit programs and other services.

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Agency Name		ARKANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM	
Program		BENEFIT PAYMENTS (APERS, ASPRS, AJRS)	
Program Authorization		Ark Code Annotated Vol. 24, Chapters 2, 4, 6, 8	
Program Definition: Funds-Center Code: <u>NEW</u>		To produce accurate and timely benefit payments to retired members or eligible beneficiaries and refunds to active/inactive members or employers of the Arkansas Public Employees Retirement System (APERS), the Arkansas State Police Retirement System (ASPRS) and the Arkansas Judicial Retirement System (AJRS).	
AGENCY GOAL(S) #	1		
Anticipated Funding Sources for the Program:		Trust Funds; Cash Funds	

GOAL 1: (Sub-Funds Center Code: NEWGOAL1) To provide for the accurate, timely payment of benefits/payouts to retired members/eligible beneficiaries and refunds to active/inactive members and employers.

OBJECTIVE 1: (Sub-Funds Center Code: NEWG1OBJ1) To produce accurate and timely benefit payments for retired members or eligible beneficiaries via Automated Clearing House (ACH) payment methodologies and to produce accurate and timely benefit payments/payouts for retired members or eligible beneficiaries and refunds to active/inactive members and employers via the Arkansas State Treasury by administering and maintaining the integrity of the Arkansas Public Employees Retirement System membership database.

STRATEGY 1: (Sub-Funds Center Code: NEWA1) To administer and maintain the integrity of the membership database to accurately respond to inquiries and to produce accurate and timely benefit payments via Automated Clearing House (ACH) methodologies.

STRATEGY 2: (Sub-Funds Center Code: NEWA2) To administer and maintain the integrity of the membership database to accurately respond to inquiries and to produce accurate and timely benefit payments, payouts and refunds via the Arkansas State Treasury.

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OBJECTIVE 2: (Sub-Funds Center Code: NEWG1OBJ2) To produce accurate and timely benefit payments for retired members or eligible beneficiaries via Automated Clearing House (ACH) payment methodologies and to produce accurate and timely benefit payments/payouts for retired members or eligible beneficiaries and refunds to active/inactive members and employers via the Arkansas State Treasury by administering and maintaining the integrity of the Arkansas State Police Retirement System membership database.

STRATEGY 1: (Sub-Funds Center Code: NEWS1) To administer and maintain the integrity of the membership database to accurately respond to inquiries and to produce accurate and timely benefit payments via Automated Clearing House (ACH) methodologies.

STRATEGY 2: (Sub-Funds Center Code: NEWS2) To administer and maintain the integrity of the membership database to accurately respond to inquiries and to produce accurate and timely benefit payments, payouts and refunds via the Arkansas State Treasury.

OBJECTIVE 3: (Sub-Funds Center Code: NEWG1OBJ3) To produce accurate and timely benefit payments for retired members or eligible beneficiaries via Automated Clearing House (ACH) payment methodologies and to produce accurate and timely benefit payments/payouts for retired members or eligible beneficiaries and refunds to active/inactive members and employers via the Arkansas State Treasury by administering and maintaining the integrity of the Arkansas State Police Retirement System membership database.

STRATEGY 1: (Sub-Funds Center Code: NEWJ1) To administer and maintain the integrity of the membership database to accurately respond to inquiries and to produce accurate and timely benefit payments via Automated Clearing House (ACH) methodologies.

STRATEGY 2: (Sub-Funds Center Code: NEWJ2) To administer and maintain the integrity of the membership database to accurately respond to inquiries and to produce accurate and timely benefit payments, payouts and refunds via the Arkansas State Treasury.

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PHASE I AGENCY REQUIREMENT

Agency Name	ARKANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM
Program	AGENCY OPERATIONS ADMINISTRATION (APERS, ASPRS, AJRS)

PERFORMANCE MEASURES: (Effort, Output, Outcome, and/or Efficiency)

DESCRIPTION (Indicate the Goal and Objective to which applicable)	METHODS AND SOURCES USED OBTAINING DATA	FISCAL YEAR 2003	FISCAL YEAR 2004	FISCAL YEAR 2005	FISCAL YEAR 2006	FISCAL YEAR 2007
Measure Type: OUTCOME Percent of customers satisfied with accessibility, accuracy and timeliness of services. APERS	Maintain appointment book with date, time and name of member; Provide weekly report of appointments; Log of responses to member satisfaction surveys.	95%	95%	95%	95%	97%
Measure Type: OUTPUT Number of educational seminars for members. APERS	Maintain log of presentations, noting date, time and number of participants; Log of responses to member satisfaction surveys.	22 seminars per year	22 seminars per year	22 seminars per year	22 seminars per year	24 seminars per year
Measure Type: OUTPUT Number of newsletters per year provided to members. APERS	Review of purchase orders, printing contracts and postage records.	2 newsletters per year	3 newsletters per year	4 newsletters per year	4 newsletters per year	4 newsletters per year
Measure Type: EFFORT Number of agency proprietary systems administered. APERS/ASPRS/AJRS	Review of agency information technology plan.	2	2	2	2	2
Measure Type: EFFICIENCY Administrative cost per active and retired member. APERS/ASPRS/AJRS	Review of administrative costs and numbers of active and retired members.	APERS-\$58 ASPRS-\$70 AJRS-\$231	APERS-\$58 ASPRS-\$70 AJRS-\$231	APERS-\$58 ASPRS-\$70 AJRS-\$231	APERS-\$58 ASPRS-\$70 AJRS-\$231	APERS-\$58 ASPRS-\$70 AJRS-\$231
Measure Type: OUTCOME Number of performance measures achieved. APERS/ASPRS/AJRS	Review of performance measures set and achieved.	80%	80%	80%	80%	80%
Measure Type: EFFICIENCY Agency information technology budget as a percent of total agency budget. APERS/ASPRS/AJRS	Review of agency expenditures and budgets.	APERS-20% ASPRS-8% AJRS-10%	APERS-20% ASPRS-8% AJRS-10%	APERS-20% ASPRS-8% AJRS-10%	APERS-20% ASPRS-8% AJRS-10%	APERS-20% ASPRS-8% AJRS-10%

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PHASE I AGENCY REQUIREMENT

Agency Name	ARKANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM
Program	AGENCY OPERATIONS ADMINISTRATION (APERS, ASPRS, AJRS)

PERFORMANCE MEASURES: (Effort, Output, Outcome, and/or Efficiency)

DESCRIPTION (Indicate the Goal and Objective to which applicable)	METHODS AND SOURCES USED OBTAINING DATA	FISCAL YEAR 2003	FISCAL YEAR 2004	FISCAL YEAR 2005	FISCAL YEAR 2006	FISCAL YEAR 2007
Measure Type: OUTCOME Number of prior year audit findings repeated in subsequent audit. APERS/ASPRS/AJRS	Review of Legislative Audit reports.	None	None	None	None	None
Measure Type: OUTCOME Percent of public employers determined to be in compliance with the Social Security and Medicare coverage regulations applicable to public employees. APERS	Review of database against the number of known public entities.	60%	75%	80%	85%	92%
Measure Type: OUTCOME Percentage of investment transactions by external money managers reviewed/reconciled by agency staff. APERS/ASPRS/AJRS	Daily review and analysis of all transactions made by external money managers; Reconciliation of money manager accounts with internal records and the custodian bank; Review of quarterly analysis provided by Investment Consultant; Annual customer service report cards.	100%	100%	100%	100%	100%
Measure Type: OUTCOME Percentage of investments reviewed on a quarterly basis for compliance with asset allocation as set by the Board of Trustees. APERS/ASPRS/AJRS	Review of quarterly analysis provided by Investment Consultant.	100%	100%	100%	100%	100%

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PHASE I AGENCY REQUIREMENT

Agency Name	ARKANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM
Program	BENEFIT PAYMENTS (APERS, ASPRS, AJRS)

PERFORMANCE MEASURES: (Effort, Output, Outcome, and/or Efficiency)

DESCRIPTION (Indicate the Goal and Objective to which applicable) <i>NOTE: All performance measures below apply to Goal 1, Objectives 1 & 2.</i>	METHODS AND SOURCES USED OBTAINING DATA	FISCAL YEAR 2003	FISCAL YEAR 2004	FISCAL YEAR 2005	FISCAL YEAR 2006	FISCAL YEAR 2007
Measure Type: OUTCOME Percent of member earnings, service and contributions recorded correctly in the membership database. APERS/ASPRS/AJRS	Review of Membership Data Form and member's history. Reconcile earnings and service reports monthly. Mailing of annual retirement statements to members.	96%	97%	98%	98%	98%
Measure Type: OUTCOME Percent of initial benefit payments made to a retired member or eligible beneficiary at their requested retirement date or within 30 days of the receipt of required documentation. APERS/ASPRS/AJRS	Review of application logs, audit logs, workflow queues and the monthly list of retirees provided to the Board of Trustees.	100%	100%	100%	100%	100%

Additional Statistical Information (provided annually for APERS/ASPRS/AJRS):

- Number of active and retired members/beneficiaries served.
- Percentage of retired members/beneficiaries to active members.
- External investment costs as a percent of invested funds.
- Average rates of return on investments managed externally.
- Ratio of benefits paid out compared to employer and employee contributions.
- Net change in Retirement System assets.